

**GOVERNMENT OF INDIA
COMMUNICATIONS AND INFORMATION TECHNOLOGY
LOK SABHA**

UNSTARRED QUESTION NO:2631
ANSWERED ON:28.07.2014
NATIONAL TELECOM POLICY
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Will the Minister of COMMUNICATIONS AND INFORMATION TECHNOLOGY be pleased to state:

- (a) whether the new Telecom Policy has been opposed by certain quarters such as Ministries of Commerce and Industry and Finance and also domestic manufacturers of Telecom equipment in the country;
- (b) if so, the details thereof and the reasons therefor; and
- (c) the steps taken by the Government to meet indigenous telecom equipment demands?

Answer

THE MINISTER OF COMMUNICATIONS AND INFORMATION TECHNOLOGY & LAW AND JUSTICE (SHRI RAVI SHANKAR PRASAD)

(a) & (b) On the draft National Telecom Policy-2012 circulated for inter-Ministerial consultation by Department of Telecommunications, Ministry of Commerce had commented that international commitments should be kept in mind while defining policy strategies for manufacturing. Ministry of Finance had, inter-alia, suggested that financial implications for specific policy interventions should be kept in mind. Union Cabinet, after considering all views, approved the National Telecom Policy-2012 in its meeting held on 31st May 2012.

(c) The major steps taken to meet indigenous telecom equipment demands are:-

Electronics Manufacturing Clusters (EMC) Scheme to provide financial assistance for creating world-class infrastructure for electronics manufacturing units and Modified Special Incentive Package Scheme (M-SIPS) to provide financial incentives to offset disability and attract investments in the manufacturing of electronics products (including telecom) have been implemented.

Setting up of two semiconductor wafer fabrication (FAB) manufacturing facilities in India has been approved, which would create the necessary ecosystem for design and manufacturing of telecom equipment.

Foreign Direct Investment up-to 100% is allowed in manufacturing of telecom products under the automatic route.

Telecommunications Standards Development Society, India (TSDSI) an industry led autonomous "not for profit" Standards Development Organization (SDO) for telecom products and services has been set up for the development of standards for telecom technology, especially suited to Indian environment. This measure will help to promote indigenous R&D and manufacturing.